

## AMENDMENTS TO CLAIMS

1. (currently amended): A digital token represented in storage on a computing device, comprising:
  - a) a token identifier ~~stored on a user's computer~~ identifying the token; and
  - b) a user identifier ~~stored on the user's computer in association with said token~~ identifier identifying a user; and
  - c) a token-vendor identifier identifying a vendor that sold the token.
2. (canceled)
3. (currently amended): A digital token according to claim 1, further comprising:
  - e)d) a balance representing the monetary value of the token.
4. (currently amended): A method of distributing a digital token, comprising the steps of:
  - a) receiving a data transmission comprising a credit card number, a monetary amount and a unique previously-assigned user identifier;
  - b) assigning a unique token identifier and storing said token identifier in association with said user identifier and said amount; and
  - c) transmitting to the user who is associated with said identifier a digital token including the token identifier, a token-vendor identifier identifying a vendor that sold the token, and the user identifier.
5. (currently amended): A method of distributing a digital token according to claim 4, further comprising the step[[s]] of:
  - e)d) storing a password in association with the token identifier.
6. (currently amended): A method of obtaining a digital token comprising the steps of:
  - a) obtaining a user identifier from a user license previously stored on a user computer, the user license further including a computer system ID thereby tying the user license to a particular computer system;
  - a)b) purchasing a digital token from a token distributor, wherein the token includes a token identifier and the user identifier;
  - b)c) receiving a digital transmission from the distributor including said token; and
  - e)d) installing said token on a computer registry.

7. (currently amended): A method according to claim 6, wherein said token further includes a ~~token~~ token-vendor identifier.
8. (canceled)
9. (original): A method according to claim ~~7~~6 wherein said token includes the monetary balance that is available to be spent that is represented by the token.
10. (currently amended): A method of charging payment against a previously purchased digital token, comprising the steps of:
  - a) storing on a user computer having a computer identifier, a user license containing a user identifier and the computer identifier for the user computer;
  - ~~a)b)~~ receiving via data connection a data transmission requesting application of a token balance toward payment for a purchase, said data transmission including a token identifier and ~~a~~the user identifier; and
  - ~~b)c)~~ subtracting the purchase price from the token balance and storing the updated token balance in association with the token identifier.
11. (currently amended): A method of charging payment against a previously purchased digital token according to claim 10, further comprising the step of:
  - ~~e)d)~~ transmitting via data connection to the user computer the updated token balance.
12. (currently amended): A method of digitally distributing a digital license in exchange for payment via a digital token, comprising the steps of:
  - a) providing a server computer networked for data transmission with multiple users, said server running software for dispensing
    - i) digital licenses and software for dispensing,
    - ii) digital tokens, each digital token including a token identifier and a user identifier, and
    - iii) user licenses, each user license including a user identifier and a computer identifier,
 and said server housing a database;
  - b) ~~assigning to a user a user identifier and storing the user identifier in said database~~ installing on a user computer associated with a first user a first user license, the user identifier therein set to uniquely identify the first

user and the computer identifier therein set to contain attributes uniquely identifying the user computer;

- c) making a digital licenses available for purchase;
  - d) ~~transmitting~~ installing a first digital token to a user, said token including a  
on the user computer, the user identifier therein set to the user identifier  
in the first user license and the token identifier therein set to a unique  
value;
  - e) storing in said database said token identifier in association with the user identifier and a monetary value for the first digital token
  - f) receiving a request via data transmission from ~~a the~~ the user computer to purchase a first digital license, said user request including a the user identifier and a the token identifier of the first digital token;
  - g) upon request received via data transmission from a user to purchase a the first digital license, applying the monetary value of the first digital token against the purchase price ~~of the product;~~
  - h) subtracting the amount applied against the purchase price from the token value and storing the updated token balance in said database; and
  - i) transmitting the first digital license to the user.
13. (currently amended) A method according to claim 12, further comprising the steps of:
- j) upon receipt of a the user request to purchase a the first digital license, ~~with a previously purchased digital token,~~ comparing the user identifier and the token ~~identifer~~ identifier in the request with data stored in the database to determine whether the token identifier is stored in association with the same user identifier.
14. (currently amended) A method according to claim 12, further comprising the step of:
- j) upon receipt of a the user request to purchase a the first digital license, ~~with a previously purchased digital token,~~ comparing the balance stored in the database in association with the token identifier to determine whether the token represents a value at least as great as the purchase price of the digital license requested.
15. (currently amended): A digital token system, comprising:

- a) a server computer running software for dispensing digital tokens, said server being connected to multiple user computers for data transmission therebetween;
  - b) data storage housing a database connected with said software, said database including token records, each token record including a token identifier and a user identifier;
  - c) a digital token stored on a user computer, the token including a token identifier and a user identifier; and
  - d) a user license stored on the user computer including a user identifier matching the user identifier in the digital token and a computer identifier matching characteristics uniquely identifying the user computer.
16. (currently amended): A method for purchasing a digital token, comprising the steps of:
- a) receiving via data transmission to a computing device a user identifier;
  - b) storing within a user license said user identifier on said computing device in association with a computer identifier including a set of characteristics uniquely identifying said computing device;
  - c) sending a data transmission requesting a digital token, said request including the user identifier and a monetary value for the token;
  - d) receiving via data transmission a digital token, said token including a token identifier and said user identifier; and
  - e) storing said token on said computing device.
17. (currently amended): A method of making a purchase via a previously purchased digital token having a token identifier and representing an original monetary value, comprising the steps of:
- a) from a computer on which is stored a previously-purchased digital token containing a token identifier and on which is stored a previously-assigned user license containing a user identifier and a system identifier uniquely identifying the computer, transmitting a request to make a purchase, said request including said token identifier and said user identifier and a monetary amount for the purchase; and
  - b) receiving via data transmission an updated monetary value represented by the token having been lessened by the purchase amount.

18. (new): A system for verifying that a particular user owns a digital token having a given token identifier, comprising:
- a) a set of one or more digital tokens stored in encrypted form on a user computer, each token including a token identifier and a user identifier;
  - b) a user license stored in encrypted form on a user computer including a user identifier, a computer identifier, and personal financial information associated with a user; and
  - c) software for decrypting the user license and displaying the personal financial information to the user thereby creating a disincentive to sharing the user license.
19. (new): A method for making a purchase with a digital token stored on a user computer, comprising the steps of:
- a) establishing a user license and a digital token on a user computer, the user license having a user identifier and a system identifier uniquely identifying the user computer, and the digital token having the user identifier and a token identifier;
  - b) electronically tying the digital token to the user computer through the user identifier; and
  - c) sending a data transmission containing the user identifier and token identifier from the user computer to a seller so as to apply the digital token toward a purchase;
20. (new): The method of claim 19, further comprising the step of:
- d) electronically verifying that the user identifier in the data transmission matches a database entry associated with the token identifier.